

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

FEDERAL RESERVE SYSTEM

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Submission for OMB Review; Joint Comment Request

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice of information collection to be submitted to OMB for review and approval under the Paperwork Reduction Act of 1995.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the OCC, the Board, and the FDIC (collectively, the "agencies") may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number.

During the second quarter of 2003, the agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), requested public comment on the extension, without revision, of the currently approved information collections: the Foreign Branch Report of Condition (FFIEC 030). In response to a comment letter received, the FFIEC, of which the agencies are members, will modify the information collection to eliminate two items and redefine four items. The agencies are now submitting requests to OMB for approval of the extension, with revision, of the FFIEC 030 report.

DATES: Comments must be submitted on or before October 27, 2003.

ADDRESSES: Interested parties are invited to submit written comments to any or all of the agencies. All comments should refer to the OMB control number(s) and will be shared among the agencies.

OCC: Comments should be sent to the Public Information Room, Office of the Comptroller of the Currency, Mailstop 1-5, Attention: 1557-0099, 250 E Street, S.W., Washington, DC 20219. Due to delays in paper mail delivery in the Washington area, commenters are encouraged to submit comments by fax or e-mail. Comments may be sent by fax to (202) 874-4448, or by e-mail to regs.comments@occ.treas.gov. You can inspect and photocopy the comments at the OCC's Public Information Room, 250 E Street, S.W., Washington, DC 20219. You can make an appointment to inspect the comments by calling (202) 874-5043.

Board : Written comments, which should refer to " Foreign Branch Report of Condition, 7100-0071," may be mailed to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, DC 20551. However, because paper mail in the Washington area and at the Board of Governors is subject to delay, please consider submitting your comments by e-mail to regs.comments@federalreserve.gov, or faxing them to the Office of the Secretary at 202-452-3819 or 202-452-3102. Members of the public may inspect comments in Room MP-500 between 9:00 a.m. and 5:00 p.m. on weekdays pursuant to 261.12, except as provided in 261.14, of the Board's Rules Regarding Availability of Information, 12 CFR 261.12 and 261.14.

FDIC: Written comments should be addressed to Robert E. Feldman, Executive Secretary, Attention: Comments/Legal, Federal Deposit Insurance Corporation, 550 17th Street,

N.W., Washington, D.C. 20429. All comment should refer to “Foreign Branch Report of Condition, 3064-0011.” Commenters are encouraged to submit comments by fax or electronic mail [FAX number (202) 898-3838; Internet address: comments@fdic.gov]. Comments also may be hand-delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m. Comments may be inspected and photocopied in the FDIC Public Information Center, Room 100, 801 17th Street, N.W., Washington, D.C., between 9:00 a.m. and 4:30 p.m. on business days.

A copy of the comments may also be submitted to the OMB desk officer for the agencies: Joseph F. Lackey, Jr., Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, Washington, DC 20503 or electronic mail to jlackeyj@omb.eop.gov.

FOR FURTHER INFORMATION CONTACT: Additional information or a copy of the collection may be requested from:

OCC: Jessie Dunaway, OCC Clearance Officer, or Camille Dixon, (202) 874-5090, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 250 E Street, S.W., Washington, D.C. 20219.

Board: Cindy Ayouch, Federal Reserve Board Clearance Officer, (202) 452-3829, Division of Research and Statistics, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, D.C. 20551. Telecommunications Device for the Deaf (TDD) users may call (202) 263-4869, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, D.C. 20551.

FDIC: Steven F. Hanft, FDIC Clearance Officer, (202) 898-3907, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street N.W., Washington, D.C. 20429.

SUPPLEMENTARY INFORMATION:

Request for OMB approval to extend for three years with revision the following currently approved information collections:

Title: Foreign Branch Report of Condition

Form Number: FFIEC 030

Frequency of Response: Annually, and quarterly for significant branches

Affected Public: Business or other for-profit

For OCC:

OMB Number: 1557-0099

Number of Respondents: 112 annual respondents
47 quarterly respondents

Estimated Time per Response: 3.9 burden hours.

Estimated Total Annual Burden: 1,170 burden hours.

For Board:

OMB Number: 7100-0071

Number of Respondents: 72 annual respondents
26 quarterly respondents

Estimated Time per Response: 3.9 burden hours.

Estimated Total Annual Burden: 687 burden hours.

For FDIC:

OMB Number: 3064-0011

Number of Respondents: 16 annual respondents

Estimated Time per Response: 3.9 burden hours.

Estimated Total Annual Burden: 63 burden hours.

General Description of Report

These information collections are mandatory: 12 U.S.C. 321, 324, and 602 (Board); 12 U.S.C. 602 (OCC); and 12 U.S.C. 1828 (FDIC). These information collections are given confidential treatment (5 U.S.C. 552 (b)(8)). Small businesses (that is, small banks) are not affected.

Abstract

This report contains asset and liability information for foreign branches of insured U.S. commercial banks and is required for regulatory and supervisory purposes. The information is used to analyze the foreign operations of U.S. commercial banks. All foreign branches of U.S. banks regardless of charter type file this report with the appropriate Federal Reserve District Bank. The Federal Reserve collects this information on behalf of the U.S. bank's primary federal bank regulatory agency.

Current Actions

On May 8, 2003, the OCC and the Board published a notice soliciting comment for 60 days on the proposed extension, without revision, of the FFIEC 030 (68 FR 24741). The FDIC published a separate notice proposing extension, without revision, of the FFIEC 030 on April 21, 2003 (68 FR 19542). The agencies received one comment letter from a bankers association on the proposed extension. The comment noted that banks are currently required to report on the

FFIEC 030 the net amounts due from or due to related institutions of the consolidated bank on separate lines according to institution type: other foreign branches, the head office and U.S. branches, and the consolidated subsidiaries of the bank. The association indicated that providing this level of detail is particularly burdensome and requested that branches instead report only the gross amounts due to and due from related entities as a group.

After considering the comments received, the FFIEC and the agencies decided to modify the information collected on the net due from and the net due to related institutions to collect a two-way breakout of these items on a gross basis. Specifically, Assets item 10, “Net due from other foreign branches of this bank,” and item 11, “Net due from head office and U.S. branches of this bank” will be combined and collected as a single item on a gross basis. Assets item 12, “Net due from consolidated subsidiaries of this bank,” will be modified to be reported on a gross basis. Similarly, Liabilities item 21, “Net due to other foreign branches of this bank,” and item 22, “Net due to head office and U.S. branches of this bank” will be combined and collected as a single item on a gross basis. Liabilities item 23, “Net due to consolidated subsidiaries of this bank,” will be modified to be reported on a gross basis. This modification will take effect as of the December 31, 2003, report date.

In making this change, the FFIEC and the agencies concluded that combining the separate items that distinguish a foreign branch’s funding to or from U.S. offices of the bank from its funding to or from other foreign offices of the bank into items covering all intrabank funding will provide adequate information for supervisory purposes. However, sources of funding to subsidiaries of U.S. banks, and particularly funding of foreign subsidiaries of U.S. banks, remains a concern to the agencies. To the extent that foreign branches provide funding to subsidiaries, financial or economic disruption in foreign countries could have an adverse effect on both entities. Also in certain cases, foreign authorities may limit the transactions of local subsidiaries, and thus foreign branches’ claims on their related subsidiaries could become impaired. Collecting information on the branches’ due from and due to position with consolidated subsidiaries of the bank provides the agencies with the ability to monitor such positions on an ongoing basis.

Request for Comment

Comments are invited on:

- a. Whether the information collections are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;
- b. The accuracy of the agencies' estimates of the burden of the information collections, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information.

Comments submitted in response to this notice will be shared among the agencies. All comments will become a matter of public record. Written comments should address the accuracy of the burden estimates and ways to minimize burden including the use of automated collection techniques or the use of other forms of information technology as well as other relevant aspects of the information collection request.

Dated: September 3, 2003.

(signed)

Mark J Tenhundfeld

Assistant Director, Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency

Board of Governors of the Federal Reserve System, September 17, 2003.

(signed)

Jennifer J. Johnson
Secretary of the Board

Dated at Washington, D.C., this 17th day of September, 2003.

FEDERAL DEPOSIT INSURANCE CORPORATION.

(signed)

Robert E. Feldman
Executive Secretary